

DPD-3307-59

15 May 1959

Dear Sid,

Attached are copies of four letters between the Project and P-E. Reference is also made to a conversation between you and Jim during his visit to your office the other day.

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There appears to have been a misunderstanding between ourselves and P-E with regard to the cost of training [redacted] as a replacement for [redacted]. As you know, [redacted] who was only recently hired and trained for your location, had to return home quite unexpectedly. This necessitated the hiring and training of [redacted]. As requested in your letter of 10 December 1958 we attempted to negotiate the cost of this training to be absorbed by P-E. We were under the impression that we had achieved this and the contract which was amended to reflect current man month rates omitted the cost of training which was in the contractor's proposal.

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However, the Contractor thought that only the cost of the instructors was to be absorbed by it and subsequently submitted invoices for the services of [redacted] own time while being trained. The rate used was the same as used for services [redacted]

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The attached letters indicated our disagreement with the above. In an attempt to correct the situation we have agreed, subject to your approval, to amend the contract to provide for a billing rate for [redacted] while being trained. As noted in Contractor's letter of 7 May, this is considerably less than the [redacted] rate. Accordingly, if you agree with the foregoing, please advise me in writing as soon as possible, of your approval.

Sincerely,

Dan

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DPD-DD [redacted] :arp
Distr.
1. [redacted]
1-TR-57
1-Finance
1-Chromo

25 YEAR RE-REVIEW